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SENSITIVE

STATE FOR D (FRITZ), EAP/FO, AND EAP/ANP NSC FOR VICTOR CHA SECDEF FOR OSD/ISD LIZ PHU PACOM FOR J01E/J2/J233/J5/SJFHQ

E.O. 12958: N/A TAGS: PGOV NZ

SUBJECT: POLLS SHOWS BRASH SURVIVING SCANDAL, SO FAR.

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Summary

11. (SBU) An alleged extramarital affair has not diminished National Party leader Don Brash's popularity with voters, according to a recent poll. Kiwis seem to be registering distaste that their MPs' private lives are being made public. But many analysts believe that Brash's handling of this incident has again shown a lack of judgment that will almost certainly lead to a leadership challenge later in the year, if not the coming weeks. Meanwhile, PM Helen Clark has raised the public mudslinging another notch by accusing National of being behind rumors that her husband is gay. End Summary.

Support remains for Brash despite allegations

12. (SBU) In the first poll after Brash's alleged affair was made public (reftels) the Herald on Sunday Digipoll, which historically tilts towards Labour, reveals that support for Brash as Prime Minister has actually grown 1.6% (Brash still trails Clark 51.3% to 24% in Preferred PM polling). National also continues to lead Labour in the party vote, at 44.2% to 39%. Amid increased speculation that Brash's days as leader are numbered, the poll also reveals that Brash at 31.6% still leads his nearest rival, John Key at 21%, as Preferred National Party Leader, and 24% vs. 10.8% as Preferred Prime Minister.

Brash's popularity largely linked to public sympathy

13. (SBU) Most Kiwis are apparently more upset about the intrusion into Brash's private life than the allegation that he had an affair. The poll shows that the vast majority disapprove of MPs bringing the private lives of colleagues to public attention (73.8% disapprove vs. 20.9% who approve). With a fairly relaxed attitude towards sex, Kiwis seem largely unperturbed about Brash's alleged marital transgression, with a solid majority (67.2%) believing Brash should continue as National's leader.

But hold on leadership still not secure

 $\P4$ . (SBU) The public may sympathize, but given that most kiwis still do not support Brash as a future PM, his caucus may not be as

sympathetic. Brash's grip on the leadership is now considerably looser. According to a National Party source, caucus confidence in his ability to deliver an election victory is beginning to wane. The media continue to speculate about his possible replacements and are beginning to coalesce around Key. Many analysts believe that Brash's lapse in judgment in having an affair while publicly speaking about the sanctity of marriage will almost certainly clear the way for a leadership challenge before the 2008 election, or even much sooner. A National Party insider tells us that Brash should not be comforted by a lack of discernible maneuvering by his caucus to remove him, which the source attributes to senior National MPs' belief that voters will see an immediate challenge as opportunistic. Analyst Barry Gustafson imagines that "if (National) were going to move against Brash, the ideal time would be before Christmas, just before everyone goes off on holiday."

Stakes rise as PM's private life now under scrutiny

15. (SBU) Meanwhile, PM Clark has stepped firmly into the fray, pointedly asking a journalist over the weekend how Brash could now speak of integrity in Parliament. But mud is sticking to her as well: Investigate magazine, whose editor has firm right-wing beliefs, has openly questioned the sexuality of Clark's husband Peter Davis. Photos of Davis being hugged and kissed by an openly gay close family friend have graced the magazine's pages as well as that of the popular Sunday Star Time Star newspaper. A furious Clark blames National for the smear campaign, which Brash has strongly refuted.

Comment: End Game for Brash Approaching?

 $\P6.$  (SBU) By Kiwi standards, the current political climate is now WELLINGTON 00000735 002 OF 002

defined by unprecedented levels of tit-for-tat personal mudslinging and vitriol. While the personal intensity has increased, the relative standing of the players remains about what it has been. The only apparent change is the readiness of Brash's colleagues in the National Caucus to find a new leader at the first opportune moment.

McCormick